

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ASHCROFT. The President's proposal was that we use CBO figures. It was a good idea in 1993. It was a good idea because they are accurate. It is a good idea in 1995 because they are accurate, but it also is a good idea because it would give us a common basis for discussion.

More than anything else in politics we need to start with as much in common as we can. We all know that we have ideas and philosophy that tends to divide us, but when we start from a common basis of resource, we will at least have an intelligent means for discussing how that resource is to be divided, used, allocated, and spent for the benefit of the people of this country.

I yield the floor.

Mr. GREGG. Mr. President, I ask unanimous consent to address the House as in morning business.

The PRESIDING OFFICER. We are in morning business. The Senator can proceed for up to 10 minutes.

#### BALANCED BUDGET

Mr. GREGG. Mr. President, I want to address a couple of topics. First, I want to congratulate the Senator from Missouri for his cogent comments on how we get to a balanced budget, how we score the question of spending, and how we maintain some semblance of credibility to the numbers here in Congress.

I respect his leadership as a former Governor in this area and recognize that he understands, maybe more than many of us, the importance of having honest numbers because, of course, in his State they had to have a balanced budget—something, unfortunately, that we do not have to have at the Federal level. It would be nice if we did. When you have to live by a balanced budget, as he did as Governor of Missouri, the real numbers become very important.

It is not a gamesmanship exercise here in obtaining real numbers and his points are well-taken as we move forward to try to resolve this continuing resolution process issue, that we have to have hard numbers that are real numbers so that there can be true movement toward a balanced budget, not something done by mirrors or smoke.

I want to talk a little bit, also, about what the President has been saying about the balanced budget amendment which we passed yesterday, the balanced budget resolution. The President has once again in his radio address, as I understand it, misrepresented facts and the situation especially in the area of Medicare.

It is now extremely ironic that the administration should continue to attack the Republican membership for our bill to balance the budget, which bill, at the same time, puts the Medicare trust fund into solvency and gives the senior citizens of this country choices which they do not have today,

choices which are similar to those that we have as Members of Congress.

It is ironic that the President and the Vice President and his minions should continue to attack us for putting forward a proposal like this, calling our proposals extremist, cuts, slashing of the Medicare system, when, in fact, the number agreed to and which was passed last night by this Senate and by the House and therefore by the Congress and sent down to the President for the rate of growth of Medicare which we have agreed to, which the Republicans have put forward, actually now exceeds the number that the President of the United States sent up as his rate of growth that he would like to see in the area of Medicare spending in his June budget.

To go over it in specifics, in his June budget the President said he wanted Medicare to grow at 7.1 percent. Why did he say that? Because his trustees of the trust fund had just come back—Secretary Rubin, Secretary Shalala, and Secretary Reich had just come back—and said if we did not slow the rate of growth in Medicare the trust fund would go bankrupt in the year 2002, and the rate of growth of the trust fund was 10 percent. In other words, every year we are spending 10 percent more on Medicare than we spent the year before. The reason we are doing that is because the system is broken.

So, the President understood this in his June submission and said, "We have to slow that rate of growth to 7.1 percent annually, down from 10 percent."

Then we put forward our proposal and we suggested the rate of growth, in our initial proposal, should be 6.4 percent. That is what the debate was about, the difference between 7.1 percent and 6.4 percent, or approximately 0.7 percent.

Now, after negotiating with the House and making some changes to try to address the concerns of some of the seniors in this country and their groups, we have come forward with a budget which allows Medicare to grow at 7.4 percent. That is what the Republican resolution, the Balanced Budget Act which we passed last night, has as a number: 7.4 percent. I think it is very important the press and the people of this country take note of that. Because we are now 0.3 percent higher in our rate of growth in Medicare than what the President had in his budget submission in June. So, if he is going to continue to say we are slashing, cutting, savaging the Medicare system, then he must have the integrity to say that his proposal exceeded our slashes, exceeded our cuts, exceeded our attacks on Medicare, if that is the case.

Of course, in fact, it is not the case. Actually what we have done is, rather than slash, cut, or in any other way negatively impact the Medicare system, we have actually created a new system which is going to strengthen the Medicare system. We are going to spend \$349 billion more on Medicare

over the next 7 years than we are spending if we were to just flat-fund it; a \$349 billion increase in spending. Every senior in this country on Medicare today gets \$4,900 in benefits, they are going to get \$6,700 by the year 2002. They will not only get additional benefits in the way of dollars, but they will get additional benefits in the way of opportunities. They will be able to go out and try some other types of health care delivery systems, many of those systems which we now as Members of Congress have available to us but seniors do not have available to them. In the same process, we are not going to limit their ability to stay in their present Medicare system. We are actually going to let them expand that ability, if they desire to do so.

So, the President once again is being a bit disingenuous in his positions—to be kind. He is misrepresenting, not only his position but our position. What for? To pander to an electorate, to try to scare that electorate, to try to run for reelection rather than substantively address the issues which we have to address, which of course is that we need to balance this budget in order to make sure that our children have a chance for a prosperous lifestyle and our seniors have a Medicare trust fund that is solvent.

So we have put forward this balanced budget which makes a great deal of sense, because if we do not pass this balanced budget, we would be passing on to our children no opportunity for prosperity because we would be passing on to them a country which would be confronted with trillions of dollars of additional debt which our children will have to pay. A child born today will have to pay \$186,000 in taxes just to pay the interest on the Federal debt. That is not right. It is not fair. Our generation is spending our children's future and it is not right.

So we passed this bill last night and it was a good bill. It had changes in basic programs which will be positive and which will make those programs deliver better services. But, as with all good bills that pass this Congress, when they are large bills sometimes something happens. Some little cadre of folks around here realizes those bills have a certain amount of momentum and they are going to pass because they are good bills and on balance everybody who is thoughtful about quality Government is probably going to vote for them and there will be a majority that will pass them.

So they sometimes sneak little provisions into these bills that are not that good. But because you have an up-or-down vote on the whole bill and you cannot get those provisions out, you end up with those provisions in. In this instance, that occurred, unfortunately, and I want to talk briefly about that; sort of the dark side of the reconciliation bill, if you will, because, unfortunately, there were some dark corners in the reconciliation bill.

The most egregious example of that was what happened with the sugar program. Let us first understand what the sugar program is in this country. It is basically a ripoff of the consumers of America to the tune of \$1.4 billion every year. It is the last vestiges of a Marxist economic system in, probably, the world. Well, maybe they still have it in Cuba, a Marxist economic system. But the last real strong vestiges of it is right here in the United States in our sugar program.

What does the sugar program do? It basically, arbitrarily, without any relationship to the market forces of the economy, fixes the price of sugar at a price which is 50 percent higher—30 to 50 percent higher than what sugar should cost Americans. In the open market today you can buy sugar at 10 cents. Under our system of farm subsidy and price control, we pay 22 cents, 23 cents. This is an outrage, but it is a cartel in this country that has a grip on the economics of the issue of sugar and, unfortunately, on this Congress, because it uses vehicles like the reconciliation bill to abuse the process.

So, in this reconciliation bill there was not a 1-year, not 2-year, but a 7-year extension of this outrage, of this program which is the ultimate example of the former East European market approach to economics. It was extended because these folks were able to slip this in. And the irony of it, of course, is that it was put in by people who on most days are the greatest supporters of capitalism, and some of the strongest supporters of conservative thought on this floor. They slipped it in here, for whatever reasons I cannot imagine, because they could not justify it, I am sure, under any intellectual basis. But it got slipped in here for the purposes of raiding the pocketbooks of Americans, for the purposes of benefiting a very small group of people.

The GAO did a study of this and 17 farms—17 cane farmers in this country get 58 percent of the benefit, 58 percent of the benefit. That is a huge amount of dollars on a \$1.4 billion subsidy. That is a huge amount of dollars to one small group of individuals in this country who happen to have the capacity to have put their idea into this reconciliation.

Now, there are many of us on our side—on both sides of the aisle, this is a bipartisan outrage at this—who find this to be an inexcusable event, who think the idea that an attempt to balance the budget should have in it a plan which essentially affronts the sensibilities of everything that Adam Smith ever stood for, and that the market economy ever stood for, that capitalism ever stood for, that our country's basic economic structure stands for—that that program should be in this bill is not only ironic, it is an outrage. However, due to the rules of this Senate, we were not able to remove it from this bill. But we all understand this bill, unfortunately, because it has a huge amount of good in it, unfortu-

nately it will end up vetoed. It will come back to us.

I want to put folks on notice. When it comes back, in whatever form it comes back, this sugar debate is not going to be allowed to be shoved into the back corner. This sugar debate is going to be out there, it is going to be on the front burner. Because the American people can no longer be subject to this outrage of having \$1.4 billion transferred out of their pockets into the pockets of a few cane growers and a few processors, simply because somebody used the parliamentary rules around here to protect a program that is absolutely indefensible under any other circumstances.

So, this issue shall be revisited when this bill is revisited and it shall be revisited with much more intensity than the last go-around. Because of the fact it was necessary, because of the overriding strength of this bill in the area of getting under control entitlement spending generally, on such things as Medicare, Medicaid, and welfare, and the overriding desire to address that, we had to unfortunately—we ended up, unfortunately, being gamed on the issue of sugar.

But in the next go-around, I simply put people on notice that game will be joined with much more intensity because the consumers of this country do not deserve to have to pay \$1.4 billion simply because a bunch of cane growers want to make money.

I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

#### THE BUDGET CRISIS

Mr. EXON. Mr. President, we are having a rather unusual Saturday session today for the very obvious and specific reason that, indeed, the Government of the United States and the United States is in a crisis situation today because of the failure of the legislative and executive branches—regardless of their political affiliations and political attitudes—meaning simply that we have to come to some kind of an agreement, some kind of an understanding, some kind of a lowering of the testing of wills with regard to a compromise that can be reached at this time to at least establish the basis or the framework to get on with the more important and more difficult task down the road, and coming to an agreement to balance the budget as quickly as we can. But I think we should keep this all in perspective.

I would simply say, Mr. President, that heated rhetoric, charges, and countercharges of what this Senator will do or what that Senator will do, the pretense of standing up for what is right above everything else, of what I think is right regardless of what my colleagues on this side of the aisle and my colleagues on the other side of the aisle think might be a workable solution, a solution to the crisis that faces

the United States today and toning down our rhetoric, toning down our demands, toning down our individual wills, is the only mixture that is going to provide a measure of success in the future that none of us individually might be totally satisfied with, but one that gets this Government moving and allows democracy to function as it has successfully functioned for many, many years.

#### THE SUGAR PROGRAM

Mr. EXON. Mr. President, I was absolutely astonished at the remarks made by my colleague from New Hampshire a few moments ago, when, if I heard him correctly, he said that the sugar program of the United States was Marxist in nature. I will with some restraint tone down my rhetoric on that, except to say that the Senator from New Hampshire is wrong.

Coming on the floor of the U.S. Senate at a time when very delicate negotiations are going on and assailing one part of the agricultural bill—in this instance, the sugar program—I think is not helpful. It is not constructive. It is not good Government, especially in that it would further impair the delicate negotiations that are now ongoing.

Let me speak a little bit about the sugar program. If we would follow the recommendations, as I understand it, that were just made on the Senate floor by the Senator from New Hampshire, we would in effect be eliminating the production of sugar in the United States of America for all time to come. The sugar program does not cost the taxpayers anything. It is true that it does prop up prices to a very reasonable level so that we can continue to have such a fundamental ingredient as sugar as a part of the American production system.

If we would follow the recommendations, as I understand them, from the Senator from New Hampshire, we would, in effect, eliminate the sugar program in the United States of America. All of our industries that rely on sugar as a key ingredient of our diet would go down the tube, and the United States of America would be totally reliant on imported sugar for as far as we can see into the future.

I would simply say to my colleague from New Hampshire that maybe we should follow that same program with regard to milk production. I do not know how much sugar production there is in New Hampshire, but there is a great deal of milk production. There is both sugar and milk production in my State of Nebraska. I would simply say that, if we are going to destroy the sugar program, it would only follow that we would destroy the milk program. If we are to logically follow the recommendations by the Senator from New Hampshire, I do not know what the milk producers in New Hampshire